REMARKS

Prior to the present response, claims 1-15 and 17-21 were pending. By way of the above amendments, claims 1-5, 14, 15, and 17-21 have been amended and new claims 28-56 have been added. Accordingly, claims 1-15, 17-21 and 28-56 are currently pending. Favorable reconsideration is respectfully requested.

Claims 1, 14 and 15 have been amended to add features which relate to a limited-use condition permitting multiple uses. Support for these features can be found throughout the originally filed disclosure, for example, in the specification on page 10, lines 20-21, page 11, lines 4-6 and 18-23, page 12, lines 12-27, page 13, line 12 to page 14, line 7, page 19, lines 7-8, page 28, lines 15-18. Dependent claims 2-4 have been amended so as to conform to the amended subject matter of independent claim 1. Dependent claim 5 has been amended to correct a minor informality.

Claim 17 has been amended to recite that after a transaction, if a use-triggered condition has not occurred, a means for determining whether to deactivate a limited-use credit card number does not generate a deactivation command. Dependent claims 18 and 19 have been amended to conform to the changes made to parent claim 17. The amendments to claim 20 are similar those made in claim 17, but with respect to a step of determining. Another change to claim 20 corrects a minor typographical error. Support for these amendments are described, for example, on page 18, lines 5-9, page 19, lines 7-8, page 27, lines 11-17, page 28, lines 2-4, page 41, lines 21-22, and page 42, lines 21-23.

Claim 21 has been amended to recite that a credit card system includes a distributer for sending a card to a user, and means for receiving information from the user that specifies limited uses, which include the use-triggered condition. These features are described throughout the originally filed disclosure, for example, on pages 28-31 and on page 27, line 22 to page 28, line 1.

On page 2 of the Office Action, the Examiner indicated that the documents listed in the Information Disclosure Statement (IDS) submitted on October 7, 2002, have not been considered because parent Application No. 09/235,835, which contains the listed documents, was not available at the time of the Action. The Examiner also requested that

Applicants provide copies of the listed documents for his consideration. In a telephonic communication on September 2, 2003, the Examiner agreed that copies of only the non U.S. patent documents listed in the IDS need be provided for consideration of every listed document in the IDS. Applicants submit herewith copies of all non U.S. patent documents listed in the October 7, 2002 IDS. It is respectfully requested that the Examiner consider each document listed in the IDS and return an initialed copy of the PTO-948 form in the next communication to Applicants.

The Office Action includes a rejection of claims 1-15 and 17-21 under 35 U.S.C. § 103(a) as allegedly being unpatentable over U.S. Patent No. 6,163,771 to Walker et al. (hereinafter, "*Walker*"). To the extent that the Office may consider the rejection to apply to the amended claims, this rejection is respectfully traversed.

The present invention, as recited in claim 1, is directed to a credit card system comprising a means for maintaining a pool of credit card numbers that share identical formatting, means for assigning at least one credit card number from the pool of credit card numbers to be a limited-use credit card number, and means for associating said at least one limited-use credit card number with limited-use conditions. The limited-use conditions include permitting multiple uses and a use-triggered condition, which causes deactivation of the limited-use credit card number. The credit card system further comprises means for associating the master credit card number with the limited-use credit card number, while ensuring that the master credit card number cannot be discovered on the basis of the limited-use credit card number.

With respect to this combination of features, it is respectfully submitted that the *Walker* patent does not teach or suggest a means for associating said at least one limited-use credit card number with limited-use conditions which involve permitting multiple uses and a use-triggered condition. To the contrary, the *Walker* patent is directed to a method and a device for generating a single-use financial account number. (See, column 1, lines 6-8.) There is no suggestion in the *Walker* patent concerning any multiple use of a credit card number that is subject to deactivation upon a use-triggered condition, as claimed. For instance, the *Walker* patent teaches generating each number using a user-controlled device

that increments an initialization variable used in the number. Each initialization variable of a credit card number used in a transaction is stored in a credit card transaction database to prevent against "replay" attacks. (See, column 7, lines 42-51, column 10, lines 10-21). Another way *Walker* attempts to prevent a credit card number being used more than once involves a processor in the device updating, when a credit card number is approved for a transaction, a status indicator in a credit card database memory from "not used" to "used." (See, column 11, lines 59-62 and column 12, lines 39-44.) Hence, the credit card system disclosed in the *Walker* patent actually "teaches away" from a limited-use credit card number permitting multiple uses and a use-triggered condition as claimed.

The present invention provides a great deal of flexibility to the end user compared to the system described in *Walker*, while retaining use-deactivation features that provide for secure cardholder credit accounts. For example, either a card issuer or a card holder could activate his or her card number for multiple uses pertaining to a specific merchant or groups of merchants, for a specific type of transaction, or for a specific number of transactions. These activation properties can also be combined in many permutations. Accordingly, the present invention provides a solution that meets the long-standing need for a secure, flexible payment system for remote transactions.

One problem solved by the present invention that the *Walker* patent system does not address is use of a limited-use credit card number to make split payments. It is noted that merchants oftentimes require that multiple charges be placed against the credit card. For instance, if multiple items are to be sent to the customer (for example from an on-line bookstore such as Amazon.com), the merchant typically only charges for those items that are actually sent when they are actually sent. Hence, if there is a back order, the merchant needs to charge the credit card number for more than one authorization. This is a fundamental and required ability of a credit card system insofar as it is a very common occurrence. The *Walker* system, in contrast, appears incapable of accommodating this type of transaction because the single-use credit card number in deactivated after it is authorized only one time.

Another example is a type of subscription service. For instance, if one were to subscribe to an Internet service provider (e.g., AOL), the provider would charge perhaps a

monthly fee for accessing the service. This may vary if additional services are used during each month. Using the present invention's limited-use credit card, the conditions for the triggering deactivation through the credit card numbers use could be permitting a particular merchant determined by first use to charge a set monthly fee at a rate of one per month for twelve months, for example. At the twelfth charge, the limited use credit card would be deactivated because of the subsequent fulfillment of the use-triggered condition for deactivation. This prevents fraud from the unscrupulous merchant or interceptor of the transaction number from continuing to charge the credit card for the thirteenth, fourteenth, fifteenth month, etc. Embodiments of the present invention prevents this sort of misuse of a credit card number.

In contrast, the *Walker* credit card number appears simply unavailable for this type of transaction. If one were wanting to subscribe to a service having a monthly fee, it would be necessary for a *Walker* system user to have generated a single-use credit card number for each month's transaction at the time of transaction, which would effectively make it a unilateral terminable pay-as-you-go service rather than a pre-paid yearly service contract due to the required involvement of the customer.

Each of claims 14 and 15 recite combinations including similar subject matter not taught in *Walker*. For instance, claims 14 and 15 each recite "means for associating said at least one limited-use credit card number with limited-use conditions, said conditions including permitting multiple uses and a use-triggered condition, the occurrence of which causes deactivation of said limited-use credit card number." It is respectfully submitted that the *Walker* patent does not disclose these features at least for the same reasons given above for claim 1. Claims 14 and 15 are therefore patentable.

Claim 17 is directed to a credit card system that includes, *inter alia*, means for determining whether to deactivate the limited-use credit card number when a limited-use credit card number was used to perform the transaction, and for generating a deactivation command in response thereto, wherein the means for determining whether to deactivate the limited-use credit card number determines, after a transaction message is received, whether a use-triggered condition has occurred, and if so, generates said deactivation command

when said limited-use event has occurred, and if not, does not generate said deactivation command. In other words, when it is determined after a transaction message is received by a processing means that a use-triggered event has not occurred, the card is still active. Claim 20 recites similar subject matter in connection with a method for performing a credit card transaction.

By contrast, the credit card system of *Walker* does not provide any mechanism for multiple uses of a credit card number. As pointed out above, the processor in the *Walker* system will never permit a single-use credit card number to remain active after it is used once. Hence, the combinations of features recited in claims 17 and 20 are not taught or suggest in the *Walker* patent. Claims 18 and 19 depend from claim 17 and are patentable at least for the above reasons and further for the additional features recited.
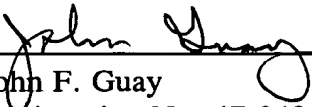
Claim 21 has been amended to recite, *inter alia*, a credit card number distributer that can send a limited-use credit card number to a user associated with a master credit card number, and means for receiving information from the user. Claim 21 further defines that the received information specifies limited uses for the limited-use credit card and include a use-triggered condition. Hence, the present invention permits a card holder to control the scope of limited uses of a limited-use credit card, which uses include a use-triggered condition. The *Walker* patent, however, does not appear to describe any means for receiving information associated with a user-defined use-triggered condition. By contrast, *Walker's* single-use condition for deactivation of a credit card number appears to be controlled, if at all, by the card issuer or central authority, and set to one unchanging "single-use" condition.

For at least these reasons, it is respectfully submitted that the pending amended claims define combinations including subject matter that is neither taught nor suggested in the *Walker* patent. As such, these claims are patentable. Applicants submit that new claims 28-56 also recite combinations of features not taught or suggested in the *Walker* patent.

Applicants respectfully request reconsideration and immediate allowance.

Respectfully submitted,

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